STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

October 14, 2010

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii PSF No.: 10MD-172

MAUI

Issuance of Right-of-Entry Permit to Monsanto Company on Lands Encumbered by Governor's Executive Order 3140 and Revocable Permit S-7582, Pulehunui, Kula, Maui, Tax Map Key: (2) 2-5-001:010.

<u>APPLICANT</u>:

Monsanto Company, a Delaware corporation.

LEGAL REFERENCE:

Sections 171-55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Pulehunui situated at Kula, Maui, identified by Tax Map Key: (2) 2-5-001:010, as shown on the attached map labeled Exhibit A.

AREA:

10,000 square feet, more or less.

ZONING:

State Land Use District:

Agricultural

County of Maui CZO:

Agricultural

TRUST LAND STATUS:

Acquired after Statehood (non-trust lands)

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES X NO

CURRENT USE STATUS:

Encumbered by Governor's Executive Order No. 3140 to the Division of Water and Land Development (now known as the Engineering Division) for well site purposes.

Encumbered by Revocable Permit No. S-7582, Alexander & Baldwin, Inc., Permittee, for sugar cane cultivation purposes.

CHARACTER OF USE:

Well testing purposes.

TERM OF RIGHT-OF-ENTRY:

8 months.

CONSIDERATION:

Gratis.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the Division of Land Management's Environmental Impact Statement Exemption List, approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class 5, No. 1, that states "Permission to enter State lands for the purpose of basic data collection, research, experimental management and resources evaluation activities such as archaeological survey, topographic survey, test borings for soil test, ground cover survey inspection of property for appraisal and development feasibility study purposes." Exhibit B.

DCCA VERIFICATION:

Place of business registration confirmed:	YES X	NO _
Registered business name confirmed:	YES X	NO _
Applicant in good standing confirmed:	YES X	NO

APPLICANT REQUIREMENTS:

Not applicable.

REMARKS:

Monsanto Company ("Monsanto") has requested a right-of-entry permit to conduct testing at a State-owned well located at Pulehunui, Kula, Maui. Monsanto Company is evaluating the quality of groundwater in the area of Waiakoa Road north of Kihei as a potential source of irrigation water for its farming operations. In this area, where sugar cane is being grown today, only a few water wells have ever been drilled. In 1971, the Department's Division of Water and Land Development ("DOWALD"), now known as the Engineering Division, drilled an exploratory water well (Well 4824-01) which was tested but never put in use for water supply. The well still exists, and is currently capped and idle. Monsanto plans to drill several exploratory water wells south of the State well and would like to test the current water quality in the State well to enhance its study of the area's water quality. Monsanto will provide all testing results to the Commission on Water Resource Management for their information and archival.

The first phase of the planned work would consist of installing a submersible pump and pump testing for a period of approximately one week. During the pump test, water samples will be collected and analyzed for water quality parameters including sodium, calcium, magnesium and chloride. Upon completion of the pump testing work, the pump will be removed and the well cap replaced and locked to prevent unauthorized access. Setup, testing and pump removal is estimated to take two weeks to perform and is anticipated to occur during October, November or December, depending on contractor availability.

In the second phase of testing, Monsanto would like access to measure water levels in State well 4824-01 during pump testing of its new exploratory wells to be drilled. During these one-week pump test periods for the newly installed wells, water levels would be gauged in the State well to observe any water level changes that may occur. No water pumping would be required during these one-week periods of water level observation. During this second phase, two one-week observation periods are anticipated, occurring in the December 2010 to May 2011 time period.

The subject property was acquired by the State from Alexander & Baldwin, Inc. ("A&B") for well site purposes pursuant to Land Office Deed No. S-26,676 dated May 10, 1976 and subsequently set aside to the Department's DOWALD, now known as the Engineering Division, for well site purposes via Governor's Executive Order 3140.

The subject property is also encumbered by a revocable permit which was originally issued in 1977 to A&B for sugar cane cultivation purposes as the subject 10,000 square foot lot was surrounded by A&B lands being used for such purpose.

Staff recommends issuing the right-of-entry permit for the eight month period as requested, provided that Monsanto notify the Land Division, the Engineering Division and A& at least ten days prior to the start of the first phase one-week period of testing and the second phase

two one-week periods of testing.

Concurrence has been received from the Engineering Division. Monsanto has obtained written concurrence from A&B. (Exhibit C)

Monsanto has requested a waiver of any right-of-entry permit rent as the testing represents such an insubstantial use of the subject land.

RECOMMENDATION:

That the Board, authorize the issuance of a right-of-entry permit to Monsanto Company covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

- 1. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;
- 2. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State; and
- 3. Monsanto Company shall notify the Land Division, the Engineering Division and Alexander & Baldwin at least 10 days prior to the start of its first phase one-week testing period and its second phase two one-week testing periods.
- 4. Monsanto shall provide all testing results to the Commission on Water Resource Management for their information and archival.

Respectfully Submitted,

Charlene & Unoli

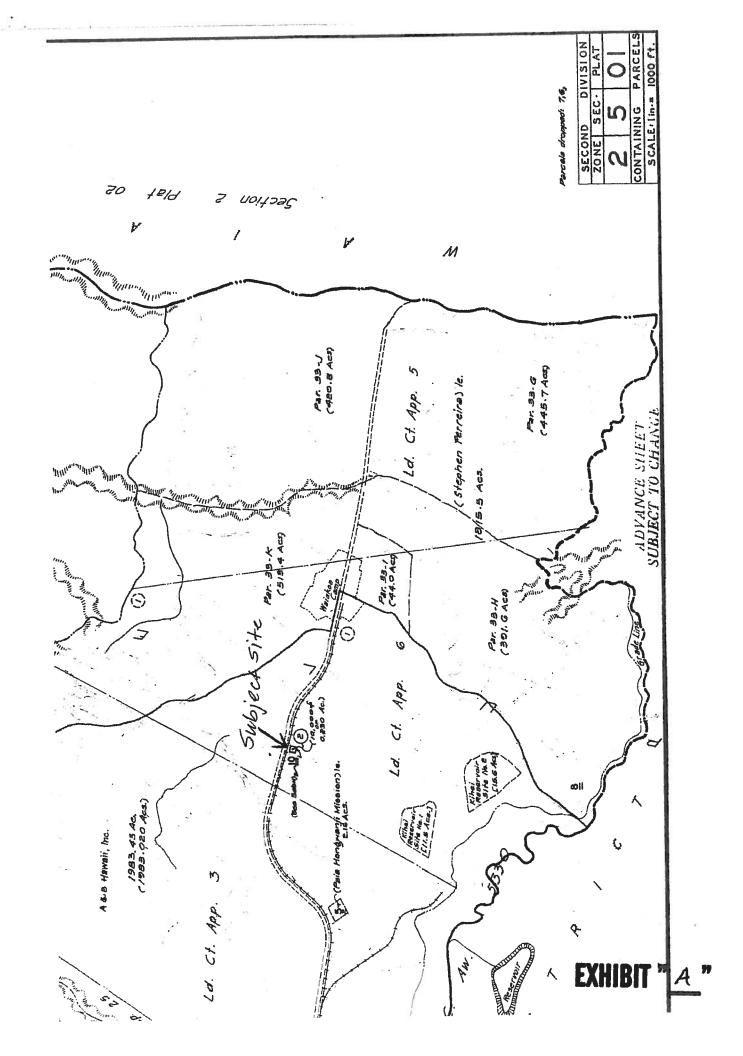
Charlene E. Unoki

Assistant Administrator

-/m

APPROVED FOR SUBMITTAL:

Laura H. Thielen, Chairperson



LINDA LINGLE GOVERNOR OF HAWAII





LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

EXEMPTION NOTIFICATION

regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

Project Title:

Issuance of Right of Entry Permit to Monsanto Company for Well

Testing Purposes.

Project/Reference Number:

10MD-172

Project Location:

Kula, Maui; Tax Map Key: (2) 2-5-1:10

Project Description:

The first phase of the planned work would consist of installing a submersible pump and pump testing for a period of approximately one week. During the pump test, water samples will be collected and analyzed for water quality parameters including sodium, calcium, magnesium and chloride. Upon completion of the pump testing work, the pump will be removed and the well cap replaced and locked to prevent unauthorized access. Setup, testing and pump removal is estimated to take two weeks to perform and is anticipated to occur during October, November or December, depending on contractor availability.

In the second phase of testing, Monsanto would like access to measure water levels in State well 4824-01 during pump testing of its new exploratory wells to be drilled. During these one-week pump test periods for the newly installed wells, water levels would be gauged in the State well to observe any water level changes that may occur. No water pumping would be required during these one-week periods of water level observation. During this second phase, two one-week observation periods are anticipated, occurring in the

December 2010 to May 2011 time period.

Chapter 343 Trigger:

Use of State Land



Exemption Class No.:

In accordance with the Division of Land Management's Environmental Impact Statement Exemption List, approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class 5, No. 1, that states "Permission to enter State lands for the purpose of basic data collection, research, experimental management and resources evaluation activities such as archaeological survey, topographic survey, test borings for soil test, ground cover survey inspection of property for appraisal and development feasibility study purposes."

The proposed activity has historically and routinely occurred. Such activities have resulted in no known significant impacts, whether immediate or cumulative, to the natural, environmental and/or cultural resources in the area. As such staff believes that the proposed event use would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

Consulted Parties:

Engineering Division

Commission on Water Resource Management

Recommendation:

It is recommended that the Board find that this request will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.

Laura H. Thielen	
Chairperson	
Date	



Monsanto Company 2111 Piilani Hwy Kihei, Hawaii 96753 808-283-1028

September 7, 2010

Charlie Loomis
Alexander & Baldwin, Inc.
822 Bishop Street
Honolulu, HI 96813

Dear Charlie:

On behalf of Monsanto Company, I am requesting your approval to enter State land that is leased to Alexander & Baldwin, Inc. under Revocable Permit (RP) No. S-7582 for the purpose of conducting testing of the State-owned well on the subject property.

As you know, Monsanto Company is considering acquiring lands owned by Alexander & Baldwin, Inc. As part of our due diligence process, we would like to test a State-owned well that is located on lands under RP S-7582 to Alexander & Baldwin, Inc., identified as TMK: (2) 2-5-001:010 at Pulehunui, Kula, Maui.

The planned work would consist of installing a submersible pump and pump testing for a period of approximately one week. During the pump test, water samples will be collected and analyzed for water quality parameters including sodium, calcium, magnesium and chloride. Upon completion of the pump testing work, the pump will be removed and the well cap replaced and locked to prevent unauthorized access. Setup, testing and pump removal is estimated to take two weeks to perform and is anticipated to occur during October. November or December, depending on contractor availability.

In addition to this initial testing, Monsanto would also like access to measure water levels in the State well during pump testing of its new exploratory wells to be drilled later. During the one-week pump test periods for the newly installed wells, water levels would be gauged in the State well to observe any water level changes that may occur. No water pumping would be required during these one-week periods of water level observation. Two one-week observation periods are anticipated, occurring in the December 2010 to May 2011 time period.

We will be requesting a right-of-entry permit from the State Department of Land and Natural Resources as owner of the subject land and well. Please note that in our verbal discussions with the Engineering Division (owner of the well), staff indicated no objections to our testing of the well subject to certain conditions such as restoration of the site and resurveying the benchmark. We will comply with any such conditions required by the Engineering Division.

If you concur with allowing us access to this site, please indicate by signing below and returning a copy to us. We will coordinate scheduling of access to the site with your staff.



If you have any questions, please contact me at (808) 283-4028. Thank you.

Sincerety	
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Dandlegg	
Hawaii Land and	Resources Manager
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APPROVED BY A FEXANDER & BALD	WIN, INC.:
Coffin	9/7/10
Name CHARLES W. LOOMIS	Date
ASST. SECRETARY	
Title	